THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (c): Since late 2003 and in 2004, the availability of ethanol has been scarce and erratic in the States of Maharashtra, Goa, Gujarat, Karnataka and Andhra Pradesh. The price of ethanol also rose significantly at all locations.

After discussions with State Governments, the Government has notified *vide* GSR 705(E) dated 27.10.2004 that five per cent ethanol-blended petrol, as per Bureau of Indian Standard specification, shall be sold in notified States and Union Territories if the price of sourcing indigenous ethanol for supply of ethanol-blended petrol is comparable to the price of indigenous ethanol for alternative uses and the delivery price of ethanol at the location is comparable to the import parity price of petrol at that location and the indigenous ethanol industry is able to maintain the availability of ethanol for ethanol-blended petrol at such prices. The Oil Marketing Companies (OMCs) have invited tenders and, *prima-facie,* the response of the ethanol industry has been encouraging. In a meeting of the Ministry of Petroleum and Natural Gas with the ethanol industry and the oil marketing companies on 16.3.2005, the industry has assured the Ministry and OMCs that they are in a position to maintain a sustained supply of the required quantities of ethanol. A Memorandum of Understanding in this regard is under preparation.

Sharing of profit of petroleum

2281. SHRI T.T.V. DHINAKARAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that profit of petroleum earned by the Centre from river basin exploration is shared in the ratio of 50:50 between the Centre and the States;

(b) whether Government propose to increase the profit ratio of States in view of the financial crunch faced by the States;

(c) whether it is also a fact that the matter of revision of profit ratio is under consideration; and

(d) if so, by when a decision is likely to be taken on the matter?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (d) The Twelfth Finance Commission has

recommended the sharing of the non-tax revenue of 'Profit Petroleum' arising out of the contractual provisions under New Exploration Licensing Policy (NELP) with the States from where the mineral oil and natural gas are produced in the ratio of 50:50. The Government has accepted this recommendation of the Commission subject to the condition that this should be within the overall ceiling of transfers recommended by the Commission (38% of the gross revenue).

Shortage of supply of LPG in the Metros

2282. SHRI CHO S. RAMASWAMY: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is fact that there is a shortage in the supply of LPG cylinders to the public in the Metro cities of the country;

(b) if so, what steps are being taken to improve the supply position;

(c) whether it is also a fact that public have to wait for more than a month to get refill cylinders;

(d) what is the reason for this shortage;

(e) whether the LPG cylinders are diverted to commercial purpose causing hardships to the common people; and

(f) if so, what steps are being taken to improve the supply?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MANI SHANKAR AIYAR): (a) to (f) Public Sector Oil Marketing Companies (OMCs) have not reported any shortage of LPG in Metro cities of the country and they are meeting the genuine demand of LPG customers in full. At the same time, strict scheduling and monitoring of supplies is being done by OMC to check possible diversion of LPG to unauthorised uses.

On account of regulated supplies to distributors, in certain markets, rush of refill booking may cause a time gap between the date of refill booking and date of refill supply. However, necessary corrective action is taken by OMCs immediately in such cases. Any specific matter, if brought to the attention of the Government or the Oil Marketing Companies, on any deliberate creation of artificial scarcity, will be investigated and acted upon in accordance with extant Marketing Discipline Guidelines.